



STANDARD CONTRACT TERMS AND CONDITIONS

1. PURCHASE ORDERS. These terms and conditions shall apply to all purchase orders placed by AGRITEK with Seller. A written purchase order may be preceded by a verbal or electronic order and acceptance of the purchase order may be indicated by like means. In the event of any conflict between the terms of this contract and any individual purchase order or Seller's acknowledgment of such purchase order, the terms of this contract shall govern. "Products" means the goods described in the attached purchase order and manufactured or distributed by Seller under it.

2. SHIPPING AND BILLING. Seller shall (a) properly pack, mark, and ship Products in accordance with the requirements of AGRITEK, the involved carriers, and any applicable laws and regulations; (b) route shipments in accordance with AGRITEK's instructions; (c) make no charge for handling, packaging, storage, or transportation of Products, unless otherwise stated on the purchase order; (d) provide with each shipment packing slips with AGRITEK's purchase order number and date of shipment marked on them; (e) properly mark each package with a label/tag, according to AGRITEK's instructions; and (f) promptly forward the original bill of lading or other shipping receipt for each shipment in accordance with AGRITEK's instructions. The price of all Products shall be in U.S. dollars.

3. DELIVERY SCHEDULES. Time is of the essence. Deliveries shall be made both in quantities and at times specified in AGRITEK'S purchase order. AGRITEK shall not be required to make payment for Products delivered to AGRITEK in quantities in excess of the quantities specified in AGRITEK's purchase order. AGRITEK may change the rate of scheduled shipments or direct temporary suspension of scheduled shipments, neither of which shall entitle Seller to a modification of the price for Products covered by this contract.

4. PREMIUM SHIPMENTS. If Seller's acts or omissions result in Seller's failure to meet AGRITEK's delivery requirements and AGRITEK requires a more expeditious method of transportation for Products than the transportation method originally specified by AGRITEK, Seller shall ship Products as expeditiously as possible at Seller's sole expense.

5. CHANGES. Any difference in price or time for performance resulting from changes to specifications of Products shall be equitably adjusted by AGRITEK after receipt of documentation in such form and detail as AGRITEK may direct.

6. INSURANCE. Seller shall maintain insurance coverage with carriers acceptable to AGRITEK and in the amounts sufficient to cover the value of the Products being shipped in accordance with shipping terms on the purchase order. AGRITEK shall receive thirty days prior written notice from the insurer of any termination or reduction in the amount or scope of coverage.

7. SUPPLIER QUALITY AND DEVELOPMENT INSPECTION. Seller shall participate in AGRITEK's supplier quality and development program and comply with all quality requirements and procedures specified by AGRITEK, as revised from time to time, including those applicable to Seller under Quality System Requirements ISO-9001.

8. NONCONFORMING PRODUCTS. AGRITEK may elect to not perform incoming inspections of Products, and Seller waives any rights to require AGRITEK to conduct such inspections. To the extent AGRITEK rejects Products as nonconforming, the quantities under this contract will automatically be reduced unless AGRITEK otherwise notifies Seller. Nonconforming Products will be held by AGRITEK in accordance with Seller's instructions at Seller's risk. Seller's failure to provide written instructions within ten days, or such shorter period as may be commercially reasonable under the circumstances, after notice of nonconformity shall entitle AGRITEK, at AGRITEK's option, to charge Seller for storage and handling or to dispose of such Products without liability to Seller. Payment for nonconforming Products shall not constitute an acceptance of such Products, limit or impair AGRITEK's right to assert any legal or equitable remedy, or relieve Seller's responsibility for latent defects.

9. AGRITEK'S PROPERTY. All supplies, materials, tools, jigs, dies, gauges, fixtures, molds, patterns, equipment and other items furnished by AGRITEK ("AGRITEK's Property") shall remain the property of AGRITEK and shall be held by Seller on a bailment basis. Seller shall bear the risk of loss of and damage to AGRITEK's Property. AGRITEK's Property shall not be used by Seller for any purpose other than the performance of this contract. Upon request of AGRITEK, AGRITEK's Property shall be immediately released to AGRITEK or delivered to AGRITEK either (a) F.O.B. transport equipment at Seller's plant, properly packed and marked in accordance with the requirements of the carrier selected by AGRITEK to transport such property; or (b) to any location designated by AGRITEK, in which event AGRITEK shall pay to Seller the reasonable costs of delivering the property to that location. Seller waives any lien or other rights that Seller might otherwise have on any of AGRITEK's Property for work performed on the property or otherwise. Seller agrees to insure AGRITEK property against loss or damage while held by seller, and to provide proof of insurance currently in force to AGRITEK on request.

10. WARRANTY. Seller warrants that Products covered by this contract will conform to the specifications, drawings, samples, or descriptions furnished by AGRITEK, and will be merchantable, of good material and workmanship and free from defect. Seller acknowledges that Seller knows of AGRITEK's intended use and warrants that all Products covered by this contract that have been selected, designed, manufactured or assembled by Seller based upon AGRITEK's stated use will be fit and sufficient for the particular purposes intended by AGRITEK. The warranty period shall be that provided by applicable law, except that if AGRITEK offers a longer Warranty to its customers for Products installed on vehicles, the longer period shall apply.

11. HAZARDOUS CONDITIONS. If Seller or AGRITEK learns of any issue relating to a potential safety hazard or unsafe condition in Products provided under this contract or is advised of such by competent authorities of any government having jurisdiction over the Products, it will immediately advise the other party by the most expeditious means of communication. All parties shall cooperate in correcting any such condition that is found to exist, but Seller shall remain ultimately responsible for it and shall indemnify and hold AGRITEK harmless against any and all costs, expenses, suits, claims, damages (including attorney's fees and court costs) in connection with it and with recovering and effecting corrections.

12. PRODUCT LIABILITY. Seller shall protect, defend, hold harmless and indemnify AGRITEK and its distributors, dealers, affiliates, and customers from any liability or claim (including attorney's fees and court costs) arising out of any alleged death or injury to any person, or damage to property, arising out of (a) any alleged failure of Products to comply with applicable specifications, warranties, or certifications under this contract; (b) the alleged negligence of Seller in design, manufacture, or otherwise with respect to Products or parts of them; or (c) claims based on strict liability, with respect to allegedly defective Products, Instructions, or warnings.

13. TERM. This contract shall be effective from the effective date of the purchase order to which this contract is attached and shall continue in full force and effect for one year from that date. Thereafter, this contract shall be automatically extended for successive one year periods unless either party gives at least three months written notice to the other party prior to the expiration of the then term of this contract.

14. APPLICABLE LAW. This contract shall be governed by the laws of the State of Michigan without regard to conflict-of-laws provisions. Seller consents to jurisdiction and venue of the Ottawa County Circuit Court.

15. ENTIRE AGREEMENT. This contract, together with the attachments, exhibits, supplements or other terms of AGRITEK specifically referenced in this contract, constitutes the entire agreement between Seller and AGRITEK with respect to the matters contained in this contract and supersedes all prior oral or written representations and agreements. This contract may be modified only by a contract amendment issued by AGRITEK.